GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3003
ANSWERED ON:20.03.2007
NEWS PRINT MILLS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the demand, production and market price of different varieties of papers including newsprint during each of the last three years;

(b) the projected increase in demand and supply of paper and import requirements in the next 5-10 years;

(c) the details of problems faced by the paper production mills in meeting the entire domestic demand;

(d) the number of mills in the country equipped to produce newsprint at competitive prices; and

(e) the details of action Government proposes to take to maintain parity amidst the different varieties of papers ?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI KAMAL NATH)

(a) : The demand, production and market price of different varieties of papers including newsprint during each of the last three years are given below:-

(i) Demand & Production of Paper & Paper Board and Newsprint

(in Million Tons)

	2003-04	2004-05	2005-06
Paper & Paper Board	5.560	5.718	5.873
Demand			
Production	5.557	5.793	5.885
Newsprint	1.440	1.438	1.588
Demand			
Production	0.684	0.765	0.913

Source: CMIE

(ii) Price Trends of different varieties of Paper and Newsprint

(in Rupees/Ton)

Variety of Paper	2003-2004	2004-2005	2005-2006
Creamwove	32,832	33,934	34,680
Maplitho	35,890	37,173	39,550
Newsprint	23,000	25,500	24,250
	26,500	27,500	28,750

Source: CRIS INFAC

(b):The domestic demand of paper is expected to grow by an average of 6 per cent whereas supply is expected to grow at 3.4 per cent. The projected increase in demand and supply of paper and import requirements in the next 5-10 years are as under:-

(in Million Tons)

Year	Demand	Supply	Imports
2010	8.33	6. 79	1.54
2015	11.1	8.01	3.09
2020	14.85	9.46	5.39

Source: Financial Express, 19 Feb 2006

(c): The major problems faced by paper producing mills in meeting the domestic demand are:-

(i) Inadequate availability of good quality raw material;

(ii) Technological obsolescence;

(iii) Low scale of operations;

(iv) Emerging environmental issues, etc.

(d): There are 77 mills registered under the Newsprint Control Order, 2004 as mills producing newsprint.

(e): Government has rationalized the duty structure to maintain parity amidst different varieties of paper.